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18-08-ESC

This letter confirms the Company's understanding of the proposed contract extension to the ESC Collective Bargaining Agreement. The term of this agreement will be extended two (2) years with a new expiration date of December 31, 2021.

In conjunction with this extension, the parties have agreed to a general wage increase ("GWI") of 3% for each of the extension years (2020 and 2021). The 3% GWI will be applied on January 1, 2020, and January 1, 2021.

Notwithstanding this extension, the Company and Union are committed to discussing a number of important subjects on an interim basis. Specifically the parties agree to meet as soon as practical to bargain the following:

- SO 205
- Minimum Qualifications and Job Descriptions
- Work Jurisdiction Between Represented Classifications
- Short Term Incentive Program (STIP)
- Use of Personal Vehicles
- Uniform Wage Ranges
- Monthly Bidding, Advancement and Promotional Consideration
- Contract Language Cleanup

In addition to these interim negotiation items, the parties have also agreed to re-open negotiations in 2019 to discuss the following employee benefits as defined by the Summary of Benefits Handbook for represented employees:

- Health Care Plans
- Flexible Spending Accounts
- Health Account
- Disability Benefits
- Life and Accident Plan Including Business Travel
- Retirement Benefits
- Work/Life Benefits

In no event shall any agreed to benefit change be implemented prior to Jan. 1, 2020.

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In addition to the interim items above, the parties also agree to continue discussing new and ongoing ad hoc discussions (e.g. affordability initiatives) during the term of the Agreement.

This letter agreement is tentative until approved by the ESC PG&E Unit Executive Board, ratified by the ESC membership, and approved by PG&E's Labor Relations Executive Committee.

Very truly yours,

PACIFIC, GAS & ELECTRIC COMPANY

Matthew Levy Director

The Union is in agreement.

ENGINEERS AND SCIENTISTS OF CALIFORNIA LOCAL 20, IFPTE, AFL-CIO and CLC

June 14 , 2018

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Karen Sawislak Executive Director

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